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FISCAL IMPACT STATEMENT

LS 7110

BILL NUMBER: SB 1

NOTE PREPARED: Feb 2, 2010

BILL AMENDED: Feb 1, 2010

SUBJECT: Boards and Commissions.

FIRST AUTHOR: Sen. Dillon

FIRST SPONSOR: Rep. Crawford

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

It makes various changes concerning the members of the Youth Advisory Council. The bill establishes the Youth Advisory Council Fund, and it specifies the purposes of the Fund.

It moves the functions of the Athletic Commission to the Gaming Commission.

It transfers the duties of the Home Health Care Services and Hospice Services Council to the Health Facilities Council. It also renames the Indiana Health Facilities Council as the Indiana Health Facilities, Home Health Care, and Hospice Council, and it changes the members of the Council.

It renames the Standardbred Advisory Board the Standard Bred Advisory and Breed Development Board. It eliminates the Standardbred Advisory Committee.

It makes changes to the eligibility criteria for admittance to the Indiana Veterans' Home. It transfers administration of the Indiana Veterans' Home buildings and grounds from the Department of Natural Resources to the Indiana Department of Veterans' Affairs. It transfers the duties of the Commission of Veterans' Affairs to the Indiana Military and Veterans' Benefits Board, and it renames the Indiana Military and Veterans' Benefits Board the Indiana Veterans' Affairs Commission

It eliminates the Law Enforcement Training Board Advisory Council.

It repeals the Personnel Board (IC 4-15-1, IC 5-15-2-2.2, and IC 4-15-2.5-2); the Athletic Commission (IC

25-9-1); the Transportation Corridor Planning Board (IC 8-4.5-1-3 and IC 8-4.5-2); the Motor Vehicle Sales Advisory Board (IC 9-23-1); Operation Lifesaver Program (IC 9-27-2-12); the Commission of Veterans' Affairs (IC 10-17-1-3); the Military and Veterans' Benefits Boards (IC 10-17-3-4); the Medicaid Work Incentive Council (IC 12-15-42); the New Harmony Commission (IC 14-20-4); the Soldiers' and Sailors' Children's Home Advisory Committee (IC 16-19-6-9); the Home Health Care Services and Hospice Services Council (IC 16-27-0.5); the Radiation Control Advisory Commission (IC 16-41-35-2, IC 16-41-35-16, IC 16-41-35-17, and IC 16-8-2-9); and the Mandated Health Benefits Task Force (IC 27-1-3-30). It makes conforming changes.

Effective Date: July 1, 2010.

Explanation of State Expenditures: *Repeal of Boards and Commissions:* Appropriations for salary per diem, travel, and other reimbursement or expenses would revert to state funds or would not be budgeted. Additionally, state officers and agencies may provide assistance to some of these entities, resulting in cost or labor savings to the extent that agency positions devoted to staffing boards, commissions, and committees could be eliminated or reassigned to other functions. Cost savings for these functions are estimated to be between \$41,500 and \$60,000 for the 14 boards, committees, commissions, and councils eliminated by this bill. However, no cost savings would result if the entity has not met, had a budget, or required staff services. Most of the terminated entities are funded with state General Fund dollars, but some receive funds from dedicated sources.

[Note: To calculate the cost savings, the statutory minimum number of meeting was used or four meetings a year was substituted when the number was unknown. A cost of \$100 per member was used to stand in for salary per diem, travel, or other reimbursement. Currently, for executive committee meetings, the salary per diem for lay members is \$50 and the travel reimbursement is \$0.40 per mile. State employees receive up to \$97 for lodging.]

(Revised) *Changes to Membership:* Additionally, the bill adds two members to the renamed Indiana Health Facilities, Home Health Care, and Hospice Council. The Council is required to meet at least six times a year. The composition of the Council changes under the bill as well. The bill designates the director of the Veterans' Affairs Department to act as secretary of the Indiana Veterans' Affairs Commission.

(Revised) *Eligibility for the Indiana Veterans' Home:* The bill may increase the number of individuals who are eligible for admission to the Indiana Veterans' Home by decreasing the residency requirement at time of application to one year and by expanding eligibility to honorably discharged service members who are former state residents. Increases in the eligible population are indeterminable. If the Indiana Department of Veterans' Affairs (IDVA) admits more individuals to the Indiana Veterans' Home under the expanded eligibility criteria, any increase in expenditures will be funded from Medicaid and the federal Veterans' Administration.

(Revised) *Transfer of the Responsibility for the Indiana Veterans' Home:* Additionally, the bill transfers responsibility of the Indiana Veterans' Home from the Department of Natural Resources (DNR) to the IDVA. Transferring the administration of the Indiana Veterans' Home will result in no fiscal impact.

(Revised) *Additional Information:* The bill specifically enumerates 14 boards, commissions, committees, or councils that terminate on July 1, 2010. Four of the entities' duties are transferred to other existing entities.

The most frequent and single expense of the terminated entities is salary per diem and traveling expense

reimbursement, which is provided based on the member being a state employee or, in some cases, a state legislator. The number of members ranges from 3 to 16, with the average number of members being 8.

Using the criteria that the appointing authority for the committee members establishes the control of the entity, it is estimated that all the entities are executive committees. Some members of the entity may be appointed by statute as a function of position, but other members of the entity are appointed by the Governor.

Most of the entities are advisory in responsibility. However, some of the terminated entities oversee funds for specific purposes or may adopt rules.

Eligibility for the Indiana Veterans' Home: Currently, there is no eligibility given to honorably discharged service members who were Indiana residents at the time of their enlistment. Additionally, the current residency requirement is three years. Under the bill, after the effective date of July 1, 2010, the following disabled or destitute individuals will be eligible for admission to the Indiana Veterans' Home:

- (1) An honorably discharged member of the armed forces,
- (2) the spouse of an honorably discharged member of the armed forces, or
- (3) the surviving spouse of an honorably discharged member of the armed forces,

if either (a) the qualifying applicant has been a resident of Indiana for at least one year prior to application for admission to the home or (b) the honorably discharged member of the armed forces was a resident of Indiana at their time of enlistment.

The Indiana Veterans' Home was appropriated \$37 M per year over the biennium, which consists of federal IV-H Medicaid reimbursement funds, and the Comfort and Welfare Fund.

Transfer of the Indiana Veterans' Home: Currently, there is a memorandum of understanding between DNR and IDVA concerning the administration of the Indiana Veterans' Home.

Explanation of State Revenues: *Athletic Commission Fund:* The bill eliminates the Athletic Commission Fund, which is administered by the Indiana Gaming Commission, and establishes the Athletic Fund, also to be administered by the Indiana Gaming Commission. [On January 12, 2010, the Athletic Commission Fund had assets of \$16,000.]

(Revised) *The Youth Advisory Council Fund:* The bill establishes the Youth Advisory Council Fund to augment and supplement funds appropriated to the Department of Education to implement the Youth Advisory Council responsibilities. Money in the fund consists of appropriations by the General Assembly, and grants, gifts, and donations.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Several; IDVA; DNR..

Local Agencies Affected:

Information Sources: Tom Applegate, IDVA.

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